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Minnesota Labor Market Review

September 1987 Supplement

Nation

Unemployment Rate Unchanged At 6.0 Percent In August; Payroll Employment Grows Modestly

The seasonally adjusted unemployment rate remained at 6.0 percent in August after dropping from 6.7 percent at the beginning of the year and 6.8 percent a year ago. Meanwhile, seasonally adjusted nonfarm payroll employment rose a modest 156,000 in August, well below the average monthly gain during 1987. All of the August increase in payroll employment was in the service-producing sector. Employment in manufacturing, which had jumped by 90,000 in July, showed little change in August while construction employment continued to be flat as a result of tax reform and higher interest rates.

Sales And Spending Strong Again in August; Industrial Output And Housing Show Weakness

Boosted by auto incentives, retail sales rose a sharp 1.3 percent in August while personal consumption expenditures climbed a strong 1.8 percent. However, a drop in auto output caused industrial production to rise by only 0.3 percent. Also, housing starts, hurt by rising mortgage rates, fell for the fifth time in six months.

State

Large Rise In Unemployment Rate In August Not Alarming

Although Minnesota's seasonally adjusted unemployment rate rose by a steep 0.4 of a percentage point to 5.4 percent in August, state officials did not consider the rise particularly significant as yet. The rate has remained between 4.6 and 5.4 percent for the past 18 months and had reached 5.4 percent last November. In August 1986, the rate was 4.9 percent.

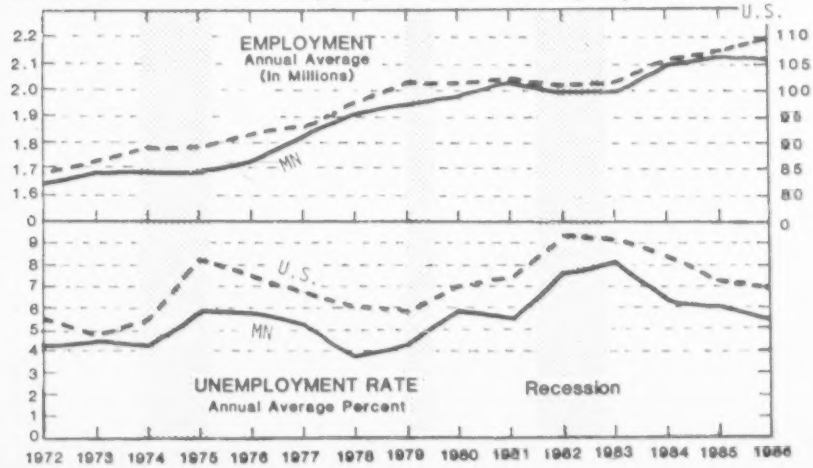
Payroll Employment Posts Healthy Increase In August After Even Larger Gain In July

Seasonally adjusted nonfarm payroll employment climbed by a strong 6,100 in August after a very sharp gain of 11,100 in July. The large August increase was the result of widespread advances in retail trade and the services industry and a concentrated gain in local education. Also, metal mining experienced an unusually large monthly rise. On the other hand, employment in construction and manufacturing declined substantially in August. Nearly 40 percent of the over-the-year gain of 52,700 in payroll employment took place in the services industry, particularly in health and business services.

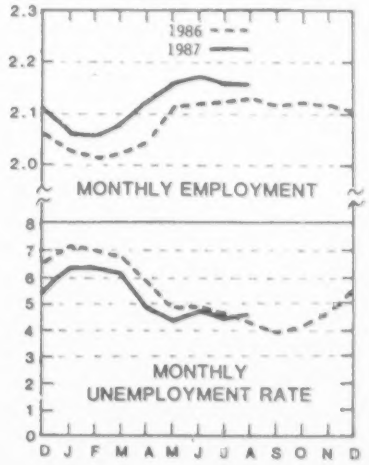
Labor Force Estimates	MINNESOTA (Numbers in Thousands)			UNITED STATES (Numbers in Millions)		
	August 1987	Change From Last Mo.	Change From Year Ago	August 1987	Change From Last Mo.	Change From Year Ago
Civilian Labor Force	2,261.1	-9.7	37.7	121.6	-0.5	2.1
Employed	2,157.6	-9.0	27.2	114.5	-0.1	3.0
Unemployed	103.6	-0.7	10.6	7.1	-0.4	-0.9
Unemployment Rate						
Actual	4.6	0.0	0.4	5.8	-0.3	-0.9
Seasonally Adjusted	5.4	0.4	0.5	6.0	0.0	-0.8

* Components may not add to Civilian Labor Force due to rounding.

MN and the U.S., Employment & Unemployment Rate



MN, 1986 and 1987



Minnesota Nonagricultural Wage & Salary Employment, Hours & Earnings

INDUSTRY	EMPLOYMENT 1/ (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS' HOURS & EARNINGS 2/					
						Average Weekly Earnings		Average Hourly Earnings		Average Weekly Hours	
	August 1987	July 1987	August 1986	July 1987	August 1986	August 1987	August 1986	August 1987	August 1986	August 1987	August 1986
Total Nonagricultural	**1,961.6**	**1,948.3**	**1,902.4**	**0.7**	**3.1**	-	-	-	-	-	-
Manufacturing	**381.7**	**375.9**	**378.2**	**1.5**	**0.9**	**428.28**	**411.86**	**10.37**	**10.07**	**41.3**	**40.9**
Durable Goods	222.9	220.9	220.9	0.9	0.9	459.80	437.23	10.87	10.46	42.3	41.8
Lumber and Furniture	21.9	21.9	20.4	0.0	7.7	509.22	472.60	11.87	10.79	42.9	43.8
Stone, Clay and Glass	9.1	9.0	8.8	0.4	2.7	433.35	439.25	10.70	10.61	40.5	41.4
Primary Metals	6.5	6.3	6.1	3.1	6.7	432.90	397.28	9.62	9.55	45.0	41.6
Fabricated Metals	34.1	33.7	32.2	1.1	5.9	520.03	454.99	11.90	10.99	43.7	41.4
Nonelectrical Machinery	77.5	76.7	81.0	0.7	-4.3	477.05	461.34	11.44	11.09	41.7	41.6
Office and Computing	37.4	37.3	40.9	0.1	-8.6	552.12	512.87	12.90	11.79	42.8	43.5
Electrical Machinery	28.1	27.8	26.5	1.1	5.9	372.81	358.11	8.67	8.65	43.0	41.4
Transportation Equipment	9.5	9.4	8.8	0.6	7.4	526.53	488.02	12.16	11.51	43.3	42.4
Scientific Instruments	29.7	29.6	30.7	0.6	-3.2	412.90	418.50	10.12	10.06	40.8	41.6
Miscellaneous Manufacturing	6.5	6.5	6.4	1.2	2.7	383.73	373.63	9.89	9.18	38.8	40.7
Nondurable Goods	158.8	155.0	157.3	2.5	1.0	390.98	382.24	9.75	9.58	40.1	39.9
Food and Kindred	50.9	46.8	51.1	8.7	-0.5	342.37	334.53	8.31	8.10	41.2	41.3
Textiles and Apparel	5.0	5.0	5.0	0.4	0.1	257.71	257.38	7.08	6.72	36.4	38.3
Paper and Allied	33.8	33.9	32.9	-0.2	2.7	492.90	501.17	11.68	11.82	42.2	42.4
Printing and Publishing	43.9	44.1	43.3	-0.3	1.5	405.41	371.68	10.53	10.10	38.5	36.8
Chemicals and Petroleum	11.0	11.1	10.6	-1.0	3.3	464.88	494.73	11.92	11.95	39.0	41.4
Rubber, Plastic and Leather	14.1	14.0	14.2	0.7	-0.5	338.30	336.04	8.81	8.82	38.4	38.1
Nonmanufacturing	**1,579.9**	**1,572.4**	**1,524.3**	**0.5**	**3.7**	-	-	-	-	-	-
Mining	7.1	6.9	6.4	3.0	11.7	545.69	520.81	12.87	12.58	42.4	41.4
Metal Mining	4.8	4.6	4.0	4.3	19.5	598.33	571.66	14.28	14.15	41.9	40.4
Construction	94.9	92.6	87.4	2.5	8.6	620.37	581.21	15.28	14.64	40.6	39.7
Transport., Comm., & Pub. Util	98.1	98.2	96.9	-0.1	1.2	-	-	-	-	-	-
Transportation	63.0	63.2	63.0	-0.2	0.0	-	-	-	-	-	-
Trucking and Warehousing	29.9	26.8	26.7	0.6	0.7	405.11	377.23	11.95	11.90	33.9	31.7
Communication and Public Util	35.0	35.0	33.9	0.0	3.5	577.60	555.98	14.44	14.04	40.0	39.6
Trade	491.5	486.3	479.5	1.1	2.5	242.42	234.39	7.77	7.61	31.2	30.8
Wholesale	122.1	120.9	119.4	1.0	2.3	421.89	401.71	10.79	10.38	39.1	38.7
Retail	369.4	365.4	360.1	1.1	2.6	191.03	187.04	6.61	6.54	28.9	28.6
Building Materials	19.1	19.0	18.2	0.7	5.1	343.61	329.56	8.34	8.56	41.2	38.5
General Merchandise	49.7	49.5	49.0	0.5	1.4	165.44	188.26	6.15	6.36	26.9	29.6
Food Stores	50.1	49.9	48.7	0.5	3.0	202.20	203.77	7.07	7.10	28.6	28.7
Automotive	40.8	40.6	39.2	0.4	4.0	327.45	345.42	8.85	9.09	37.0	38.0
Apparel	18.7	18.1	18.8	3.4	-0.2	124.56	122.81	5.19	5.16	24.0	23.8
Home Furnishings	16.1	15.9	15.1	0.7	6.5	253.65	221.13	7.64	7.02	33.2	31.5
Eating and Drinking	126.8	124.8	124.7	1.6	1.7	129.01	106.22	5.02	4.52	25.7	23.5
Fin., Insur., Real Est.	122.6	122.4	117.9	0.2	4.0	-	-	-	-	-	-
Finance	57.5	57.4	54.8	0.3	4.9	-	-	-	-	-	-
Insurance	44.1	44.0	43.0	0.1	2.6						
Real Estate	20.9	20.9	20.1	0.0	4.3						
Services	474.8	471.9	452.7	0.6	4.9						
Personal Services	25.1	24.7	22.7	1.6	10.6						
Business Services	88.3	87.7	83.8	0.7	5.3						
Repair Services	20.1	20.2	18.9	-0.5	6.3						
Health Services	149.3	148.6	143.0	0.5	4.4						
Hospitals	51.2	51.0	50.2	0.5	2.2						
Nursing Homes	42.0	41.6	40.3	0.9	4.0						
Legal Services	14.5	14.5	13.7	-0.2	6.0						
Private Education	19.0	18.7	18.6	1.4	2.1						
Government	290.9	294.1	283.6	-1.1	2.6						
Federal	32.7	32.9	33.2	-0.7	-1.4						
State	68.4	68.7	66.6	-0.4	2.7						
Education	31.9	32.3	30.8	-1.2	3.7						
Local	189.8	192.5	183.8	-1.4	3.3						
Education	86.9	88.6	83.2	-2.0	4.4						

1/ Totals may not add because of rounding.

2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full and part-time production or nonsupervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Minneapolis–St. Paul MSA

By Kevin Alaspa

The Unemployment Rate Increases Slightly In The Month Of August

A modest decline in the labor force, accompanied by a slightly greater decline in employment, resulted in a small increase in the unemployment rate in August. This was a somewhat unusual development in that the unemployment rate traditionally drops between July and August. However, the decline in labor force and employment did not represent a significant downturn in the economic picture of the Twin Cities metropolitan area. Employment totals were a reflection of the strong economic conditions which have been prevalent for some time. Unemployment rates in the counties and major communities of the metropolitan area were generally at or near their low points for the year.

Employment In Major Industrial Categories Changes Little In August

Total wage and salary employment was virtually unchanged between July and August, although some shifts took place within certain industry groups. Manufacturing employment was up slightly, with most of this increase taking place in durable goods, although no specific industry group was primarily responsible for this modest increase. Construction and retail trade also posted gains in August, although not as large as have occurred in recent months. Employment in the services sector was almost unchanged, while employment declined in local government, particularly local education. School districts typically employ the fewest number of workers in the late summer.

Prospects for the upcoming months are for steady employment in most industry sectors, except for those in which seasonal work tends to taper off in the fall months. The beginning of the school year will result in an upturn in employment in both public and private educational systems.

LABOR FORCE ESTIMATES

AREA	EMPLOYMENT			UNEMPLOYMENT			UNEMP. RATE		
	August 1987	July 1987	August 1986	August 1987	July 1987	August 1986	Aug. 1987	July 1987	Aug. 1986
Minneapolis-St. Paul MSA*	1,292,533	1,295,605	1,271,776	53,493	52,931	46,507	4.0	3.9	3.5
REGION 11	1,214,279	1,217,249	1,195,371	50,257	49,264	42,938	4.0	3.9	3.5
Anoka	120,377	120,672	118,503	5,082	5,056	4,695	4.1	4.0	3.8
Carver	21,932	21,985	21,590	751	752	658	3.3	3.3	3.0
Dakota	125,470	125,777	123,517	5,348	5,233	4,124	4.1	4.0	3.2
Hennepin	587,320	588,757	578,175	24,374	23,769	20,969	4.0	3.9	3.5
Ramsey	266,274	266,925	262,128	11,174	10,965	9,590	4.0	3.9	3.5
Scott	25,897	25,960	25,493	1,189	1,147	947	4.4	4.2	3.6
Washington	67,009	67,173	65,965	2,339	2,342	1,955	3.4	3.4	2.9
Chisago*	13,325	13,358	13,118	646	733	603	4.6	5.2	4.4
Isanti*	11,424	11,452	11,246	473	516	461	4.0	4.3	3.9
Wright*	30,169	30,244	29,700	1,362	1,444	1,168	4.3	4.6	3.8
St. Croix, WI	23,336	23,302	22,341	755	974	1,337	3.1	4.0	5.6
Bloomington	55,332	55,467	54,470	2,256	2,319	1,940	3.9	4.0	3.4
Minneapolis	209,493	210,006	206,231	9,996	9,654	8,641	4.6	4.4	4.0
St. Paul	144,562	144,915	142,311	7,078	6,991	6,047	4.7	4.6	4.1

* Chisago, Isanti and Wright counties are a part of the Minneapolis/St. Paul-MN-WI MSA, but are included in Region 7.

Civilian labor force can be calculated by adding employment and unemployment.

Mpls.–St. Paul Nonagricultural Wage & Salary Employment, Hours & Earnings

INDUSTRY	EMPLOYMENT 1/ (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS' HOURS & EARNINGS 2/					
						Average Weekly Earnings		Average Hourly Earnings		Average Weekly Hours	
	August 1987	July 1987	August 1986	July 1987	August 1986	August 1987	August 1986	August 1987	August 1986	August 1987	August 1986
Total Nonagricultural	**1,259.1**	**1,258.5**	**1,235.4**	**0.0**	**1.9**	-	-	-	-	-	-
Manufacturing	**254.1**	**253.1**	**252.9**	**0.4**	**0.5**	**460.37**	**452.79**	**11.12**	**10.99**	**41.4**	**41.2**
Durable Goods	157.4	156.7	157.2	0.4	0.1	483.23	470.90	11.37	11.08	42.5	42.5
Lumber and Furniture	10.0	10.1	9.2	-0.8	8.3	545.90	510.26	12.24	11.19	44.6	45.6
Stone, Clay and Glass	3.5	3.5	3.2	0.6	8.7	538.90	551.94	12.74	12.32	42.3	44.8
Primary Metals	5.1	5.0	4.9	2.7	4.1	433.69	392.59	9.49	9.46	45.7	41.5
Fabricated Metals	26.5	26.3	24.6	0.6	7.6	553.58	483.42	12.61	11.51	43.9	42.0
Nonelectrical Machinery	61.7	61.3	63.3	0.6	-2.6	488.14	482.35	11.65	11.43	41.9	42.2
Office and Computing	29.7	29.7	32.5	-0.1	-8.8	515.84	509.76	12.46	11.80	41.4	43.2
Electrical Machinery	15.4	15.5	15.2	-0.3	1.1	374.95	400.48	9.19	9.65	40.8	41.5
Transportation Equipment	5.0	5.1	5.0	-1.5	0.4	639.48	621.50	14.60	13.75	43.8	45.2
Scientific Instruments	25.8	25.7	27.5	0.5	-6.2	415.95	432.64	10.17	10.40	40.9	41.6
Miscellaneous Manufacturing	4.5	4.4	4.2	1.6	5.4	432.23	405.42	10.17	9.63	42.5	42.1
Nondurable Goods	96.7	96.3	95.7	0.3	1.0	428.53	426.41	10.74	10.85	39.9	39.3
Food and Kindred	19.1	18.7	19.4	2.4	-1.2	417.83	406.02	10.02	10.10	41.7	40.2
Textiles and Apparel	2.0	2.0	2.2	-1.9	-9.5	251.34	271.58	7.08	6.64	35.5	40.9
Paper and Allied	26.0	26.1	25.5	-0.5	1.6	464.71	474.35	11.39	11.43	40.8	41.5
Printing and Publishing	30.7	30.8	30.3	-0.6	1.1	421.29	395.30	10.83	10.95	38.9	36.1
Chemicals and Petroleum	9.2	9.1	8.8	0.7	4.8	489.34	547.72	12.81	13.01	38.2	42.1
Rubber, Plastic and Leather	9.8	9.6	9.5	1.7	2.3	390.40	399.99	9.76	9.95	40.0	40.2
Nonmanufacturing	**1,005.0**	**1,005.5**	**982.5**	**0.0**	**2.3**	-	-	-	-	-	-
Mining	0.9	0.9	0.9	0.0	0.0	208.78	208.78	8.03	8.03	26.0	26.0
Metal Mining	-	-	-	-	-	-	-	-	-	-	-
Construction	57.2	56.5	55.9	1.2	2.2	624.69	631.97	16.57	16.33	37.7	38.7
Transport., Comm., & Pub. Util.	66.1	66.1	66.6	-0.1	-0.7	-	-	-	-	-	-
Transportation	43.7	43.7	45.2	0.0	-3.2	-	-	-	-	-	-
Trucking and Warehousing	15.6	15.5	16.0	0.8	-2.2	382.73	364.37	12.93	12.83	29.6	28.4
Communication and Public Util.	22.3	22.4	21.4	-0.3	4.3	603.93	541.54	14.73	13.85	41.0	39.1
Trade	312.0	310.1	306.8	0.6	1.7	269.23	254.20	8.52	8.28	31.6	30.7
Wholesale	80.9	80.6	81.3	0.4	-0.6	452.07	430.10	11.33	11.00	39.9	39.1
Retail	231.1	229.5	225.4	0.7	2.5	215.50	201.07	7.38	7.13	29.2	28.2
Building Materials	11.2	11.2	10.7	0.2	4.9	399.66	357.02	9.23	9.42	43.3	37.9
General Merchandise	34.4	34.4	34.9	0.2	-1.4	185.08	201.23	6.54	6.73	28.3	29.9
Food Stores	28.7	28.7	27.8	0.1	3.2	245.96	245.65	8.57	8.50	28.7	28.9
Automotive	24.5	24.4	23.2	0.7	6.0	395.38	408.58	10.60	10.37	37.3	39.4
Apparel	12.6	12.3	12.0	3.1	5.2	117.52	116.05	5.20	5.09	22.6	22.8
Home Furnishings	11.0	11.0	10.6	0.3	4.4	240.38	188.86	7.83	6.49	30.7	29.1
Eating and Drinking	78.9	78.2	77.8	0.9	1.5	147.81	106.20	5.62	4.72	26.3	22.5
Fin., Insur., Real Est.	94.6	94.5	91.1	0.2	3.9	-	-	-	-	-	-
Finance	40.5	40.4	38.7	0.2	4.5	-	-	-	-	-	-
Insurance	37.1	37.1	36.1	0.2	2.9						
Real Estate	17.0	17.0	16.3	0.1	4.7						
Services	317.6	317.4	307.2	0.0	3.4						
Personal Services	17.6	17.5	16.1	0.9	9.7						
Business Services	76.4	76.1	73.6	0.3	3.8						
Repair Services	14.8	14.8	14.1	-0.2	4.9						
Health Services	82.4	82.3	80.1	0.1	2.8						
Hospitals	29.4	29.5	29.4	-0.4	0.1						
Nursing Homes	22.7	22.5	21.8	0.8	4.1						
Legal Services	11.3	11.3	10.7	-0.4	5.4						
Private Education	13.8	14.0	14.2	-1.3	-2.6						
Government	156.7	159.9	154.0	-2.0	1.7						
Federal	19.8	20.0	19.7	-0.7	0.8						
State	46.5	46.6	45.0	-0.2	3.3						
Education	22.6	22.8	21.9	-0.8	3.0						
Local	90.3	93.4	89.3	-3.3	1.1						
Education	41.1	43.7	40.7	-6.0	0.8						

1/ Totals may not add because of rounding.

2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full and part-time production or nonsupervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Central and Northwest Minnesota

By Ron Daws

LABOR FORCE ESTIMATES									
AREA	EMPLOYMENT			UNEMPLOYMENT			UNEMP. RATE		
	August 1987	July 1987	August 1986	August 1987	July 1987	August 1986	August 1987	July 1987	August 1986
St. Cloud MSA 1/	85,094	86,370	82,571	4,515	4,468	3,826	5.0	4.9	4.4
REGION 1	38,212	39,297	36,979	3,123	3,163	2,837	7.6	7.4	7.1
Kittson	2,347	2,365	2,333	195	226	229	7.7	8.7	8.9
Marshall	4,414	4,633	4,390	571	616	520	11.5	11.7	10.6
Norman	3,494	3,685	3,305	235	246	193	6.3	6.3	5.5
Pennington	6,168	6,085	5,897	377	395	359	5.8	6.1	5.7
Polk	13,075	13,695	13,061	1,195	1,146	1,070	8.4	7.7	7.6
Red Lake	1,438	1,456	1,444	297	279	222	17.1	16.1	13.3
Roseau	7,276	7,376	6,549	253	255	244	3.4	3.3	3.6
REGION 2	27,652	27,594	28,765	1,974	2,104	1,967	6.7	7.1	6.4
Beltrami	14,377	14,473	15,383	920	923	897	6.0	6.0	5.5
Clearwater	3,030	2,992	3,085	384	403	364	11.2	11.9	10.6
Hubbard	6,633	6,449	6,545	397	494	417	5.6	7.1	6.0
Lake of Woods	1,633	1,665	1,768	102	103	98	5.9	5.8	5.3
Mahnomen	1,979	2,015	1,984	171	181	191	8.0	8.2	8.8
REGION 4	91,269	92,667	90,091	4,629	4,624	4,307	4.8	4.8	4.6
Becker	12,731	12,791	12,228	859	810	809	6.3	6.0	6.2
Clay	24,900	25,074	24,199	1,003	1,089	898	3.9	4.2	3.6
Douglas	13,718	13,834	13,724	635	581	561	4.4	4.0	3.9
Grant	2,702	2,767	2,780	118	124	148	4.2	4.3	5.1
Otter Tail	22,786	23,301	22,725	1,323	1,303	1,237	5.5	5.3	5.2
Pope	4,369	4,491	4,404	257	265	232	5.6	5.6	5.0
Stevens	4,732	4,858	4,610	154	142	173	3.2	2.8	3.6
Traverse	2,167	2,220	2,195	70	90	88	3.1	3.9	3.9
Wilkin	3,164	3,331	3,226	210	220	161	6.2	6.2	4.8
REGION 5	55,032	55,874	54,904	3,764	3,725	3,410	6.4	6.3	5.8
Cass	8,416	8,345	8,534	761	779	669	8.3	8.5	7.3
Crow Wing	20,196	20,263	20,132	1,132	1,105	1,080	5.3	5.2	5.1
Morrison	12,374	12,626	12,177	886	936	733	6.7	6.9	5.7
Todd	9,784	9,987	9,786	616	569	591	5.9	5.4	5.7
Wadena	4,262	4,653	4,275	369	336	337	8.0	6.7	7.3
REGION 6E	51,849	50,808	52,376	2,439	2,661	2,537	4.5	5.0	4.6
Kandiyohi	17,501	17,772	17,454	726	773	703	4.0	4.2	3.9
McLeod	16,979	16,355	16,980	614	667	611	3.5	3.9	3.5
Meeker	8,216	7,985	8,694	568	572	695	6.5	6.7	7.4
Renville	9,153	8,696	9,248	531	649	528	5.5	6.9	5.4
REGION 7E	46,813	47,174	45,831	2,616	2,754	2,456	5.3	5.5	5.1
Chisago	13,325	13,358	13,118	646	733	603	4.6	5.2	4.4
Isanti	11,424	11,452	11,246	473	516	461	4.0	4.3	3.9
Kanabec	5,650	5,691	5,357	406	419	362	6.7	6.9	6.3
Mille Lacs	7,824	7,892	7,916	461	457	440	5.6	5.5	5.3
Pine	8,590	8,781	8,194	630	629	590	6.8	6.7	6.7
REGION 7W	115,263	116,614	112,271	5,877	5,912	4,994	4.9	4.8	4.3
Benton	13,329	13,529	12,934	756	786	567	5.4	5.5	4.2
Sherburne	15,854	16,092	15,384	925	939	826	5.5	5.5	5.1
Stearns	55,911	56,749	54,253	2,834	2,743	2,433	4.8	4.6	4.3
Wright	30,169	30,244	29,700	1,362	1,444	1,168	4.3	4.6	3.8

1/ Benton, Stearns, and Sherburne Counties

ST. CLOUD MSA NONFARM WAGE & SALARY EMPLOYMENT					
INDUSTRY	EMPLOYMENT			PERCENT CHANGE FROM	
	August 1987	July 1987	August 1986	MONTH AGO	YEAR AGO
Total Nonagricultural Wage & Salary	66,442	66,790	64,251	-0.5	3.4
Total Manufacturing	11,738	11,819	11,638	-0.7	0.9
Durable Goods	6,704	6,696	6,599	0.1	1.6
Nondurable Goods	5,034	5,123	5,039	-1.7	-0.1
Total Nonmanufacturing	54,704	54,971	52,613	-0.5	4.0
Construction & Mining	5,250	5,209	3,973	0.8	32.1
Transp., Comm., & Pub. Utilities	3,671	3,671	3,625	0.0	1.3
Wholesale Trade	3,569	3,475	3,258	2.7	9.5
Retail Trade	17,589	17,658	16,774	-0.4	4.9
Finance, Insur., & Real Estate	2,518	2,470	2,400	1.9	4.9
Services	12,165	12,261	12,321	-0.8	-1.3
Health Services	4,854	4,790	4,615	1.3	5.2
Government	9,942	10,227	10,262	-2.8	-3.1

Unemployment Increases Modestly Since August of 1986; Employment Also Generally Edges Upward

Although the labor force continues to expand across Central Minnesota, unemployment is growing relatively faster than employment. In the St. Cloud MSA, for example, employment reached a new August high (85,095), but was 1,276 short of July's level. Conversely, since July the number of jobless workers increased slightly (by 47) to drive the unemployment rate up from 4.9 percent in July to 5.0 percent in August. This is the first time during the 1980s that the MSA's unemployment rate increased from July to August. Last year the rate dropped from 4.9 percent to 4.4 percent. Given that the state's unemployment rate has been creeping up recently, and that employment gains have been leveling off, what we may be seeing is the start of an at least temporary economic slowdown.

Except for government, finance, insurance, and real estate, all St. Cloud MSA nonmanufacturing industries gained jobs over the year. Construction and mining experienced by far the greatest proportional jump.

Compared with July, however, nonfarm wage and salary employment dropped slightly in the MSA, mostly due to cuts in government and nondurable goods manufacturing. Wholesale trade, a relatively small industry, was the only notable job gainer. Employment in the remaining industries stayed virtually static over the month. Even retail trade, although up by nearly five percent over the year, employed slightly fewer workers in August than in July. Normally employment in retail trade increases between July and August. Nonmedical services, as noted last month, continues to stagnate, losing workers over the month and year.

Northeast Minnesota

By Ron Daws

Employment And Unemployment Rise Slightly Over The Year In Region 3, But At The County Level The Trends Are Mixed

The labor force continues to gradually grow in Northeast Minnesota with both employment and unemployment contributing, although since July, employment and unemployment are down seasonally. The labor force table shows a sizable jump in unemployment in Duluth over the year and a contrasting decrease in the remainder of St. Louis county. This disparity is probably greatly overstated (if indeed there is any) due to the way the estimating methodology distributes the county's unemployed. Most likely, unemployment is up across all of St. Louis county from last year, and down slightly over the month.

Employment is also up slightly in both Duluth and the rest of St. Louis county over the year (although seasonally down from July), so the rise in unemployment is probably not founded on a prevailing erosion of the job base. This contention is supported by Duluth's August employment level, the highest since August 1983 when 31,284 people worked.

Duluth's over-the-year employment increase came from nondurable goods manufacturing, construction and sevices. Except for retail trade, which held roughly constant, all other industries lost workers. Over the month the picture was somewhat different: nondurable goods manufacturing was down, wholesale trade was up and services barely gained any jobs.

Nonfarm wage and salary employment in the rest of the two-county MSA changed roughly the same as in Duluth with the major exception that there is no construction project comparable to Duluth's paper mill, and compared to last year, government employment increased in the Duluth-Superior MSA outside of Duluth.

LABOR FORCE ESTIMATES

AREA	EMPLOYMENT			UNEMPLOYMENT			UNEMP. RATE		
	August 1987	July 1987	August 1986	August 1987	July 1987	August 1986	August 1987	July 1987	August 1986
REGION 3	**124,294**	**124,541**	**122,779**	**10,934**	**11,586**	**10,471**	**8.1**	**8.5**	**7.9**
Aitkin	4,668	4,664	4,826	462	452	389	9.0	8.8	7.5
Carlton	10,944	10,928	10,902	838	900	860	7.1	7.6	7.3
Cook	2,831	2,749	2,780	118	114	108	4.0	4.0	3.7
Itasca	15,807	15,829	16,171	1,462	1,577	1,475	8.5	9.1	8.4
Koochiching	6,810	6,864	6,836	417	451	478	5.8	6.2	6.5
Lake	3,338	3,455	3,368	534	568	911	13.8	14.1	21.3
St. Louis	79,896	80,052	77,896	7,103	7,524	6,250	8.2	8.6	7.4
City of Duluth	**28,710**	**28,766**	**27,991**	**2,865**	**2,737**	**1,695**	**9.1**	**8.7**	**5.7**
Balance St. Louis	**51,186**	**51,286**	**49,905**	**4,238**	**4,787**	**4,555**	**7.6**	**8.5**	**8.4**

Civilian labor force can be calculated by adding employment and unemployment.

DULUTH AND DULUTH-SUPERIOR MSA NONFARM WAGE & SALARY EMPLOYMENT

INDUSTRY	EMPLOYMENT DULUTH			PERCENT CHANGE		EMPLOYMENT DULUTH-SUPERIOR			PERCENT CHANGE	
	August 1987	July 1987	August 1986	MO. AGO	YR. AGO	August 1987	July 1987	August 1986	MO. AGO	YR. AGO
Total Nonfarm Wage & Salary	**43,729**	**43,859**	**42,847**	**-0.3**	**2.1**	**87,709**	**84,910**	**82,420**	**-0.2**	**2.8**
Total Manufacturing	**4,235**	**4,289**	**4,143**	**-1.3**	**2.2**	**7,316**	**7,359**	**7,460**	**-0.6**	**-1.9**
Durable Goods	1,920	1,918	2,098	0.1	-8.5	4,020	4,078	4,317	-1.4	-6.9
Nondurable Goods	2,315	2,371	2,045	-2.4	13.2	3,296	3,281	3,143	0.5	4.9
Total Nonmanufacturing	**39,494**	**39,570**	**38,704**	**-0.2**	**2.0**	**77,413**	**77,582**	**74,980**	**-0.2**	**3.2**
Construction	2,734	2,619	1,751	4.4	56.1	4,602	4,122	4,186	11.6	9.9
Trans., Comm., Pub. Util.	2,957	2,959	3,004	-0.1	-1.6	5,407	5,426	5,836	-0.4	-7.4
Wholesale Trade	1,662	1,615	1,714	2.9	-3.0	3,461	3,550	3,568	-2.5	-3.0
Retail Trade	9,155	9,177	9,140	-0.2	0.2	18,708	18,719	18,516	-0.1	1.0
Finan., Insur., & Real Est.	1,834	1,837	1,897	-0.2	-3.3	3,097	3,081	3,206	0.5	-3.4
Services, Mining, & Miscel.	12,084	11,969	11,759	0.8	2.8	24,652	24,776	24,242	-0.5	1.7
Government	9,068	9,374	9,439	-3.3	-3.9	17,617	19,212	16,909	-8.3	4.2

Civilian labor force can be calculated by adding employment and unemployment.

Southern Minnesota

By Ron Daws

LABOR FORCE ESTIMATES									
AREA	EMPLOYMENT			UNEMPLOYMENT			UNEMP. RATE		
	August 1987	July 1987	August 1986	August 1987	July 1987	August 1986	Aug. 1987	July 1987	Aug. 1986
REGION 6W	**23,700**	**24,271**	**23,532**	**1,209**	**1,260**	**1,166**	**4.9**	**4.9**	**4.7**
Big Stone	2,927	3,050	3,128	171	168	131	5.5	5.2	4.0
Chippewa	6,394	6,567	6,399	320	348	314	4.8	5.0	4.7
Lac Qui Parle	4,008	4,160	4,147	158	171	175	3.8	3.9	4.0
Swift	4,593	4,674	4,431	285	306	317	5.8	6.1	6.7
Yellow Medicine	5,778	5,820	5,427	275	267	229	4.5	4.4	4.0
REGION 8	**56,197**	**57,399**	**57,396**	**2,915**	**3,033**	**2,503**	**4.9**	**5.0**	**4.2**
Cottonwood	5,295	5,561	5,773	488	461	277	8.4	7.7	4.6
Jackson	5,006	5,190	5,850	611	620	445	10.9	10.7	7.1
Lincoln	3,225	3,238	3,206	102	105	122	3.1	3.1	3.7
Lyon	11,812	11,749	11,879	493	499	422	4.0	4.1	3.4
Murray	4,539	4,689	4,393	211	241	193	4.4	4.9	4.2
Nobles	9,504	9,772	9,413	384	464	388	3.9	4.5	4.0
Pipestone	4,900	4,979	4,981	133	132	174	2.6	2.6	3.4
Redwood	7,567	7,699	7,513	325	352	339	4.1	4.4	4.3
Rock	4,349	4,522	4,388	168	159	143	3.7	3.4	3.2
REGION 9	**107,138**	**106,025**	**107,329**	**4,939**	**5,078**	**4,370**	**4.4**	**4.6**	**3.9**
Blue Earth	26,110	26,438	25,625	947	905	911	3.5	3.3	3.4
Brown	13,286	13,352	13,267	485	562	518	3.5	4.0	3.8
Faribault	8,552	8,537	8,824	331	377	364	3.7	4.2	4.0
Le Sueur	11,969	10,926	11,940	737	752	654	5.8	6.4	5.2
Martin	11,981	11,668	12,212	1,051	1,081	592	8.1	8.5	4.6
Nicollet	13,770	13,944	13,515	473	437	460	3.3	3.0	3.3
Sibley	6,679	6,611	6,690	341	352	330	4.9	5.1	4.7
Waseca	9,478	9,176	9,832	384	401	331	3.9	4.2	3.3
Watonwan	5,313	5,373	5,424	190	211	210	3.5	3.8	3.7
REGION 10	**205,867**	**207,051**	**202,794**	**8,884**	**9,104**	**9,012**	**4.1**	**4.2**	**4.3**
Dodge	7,572	7,690	7,635	411	412	383	5.1	5.1	4.8
Fillmore	9,113	9,400	9,086	523	607	510	5.4	6.1	5.3
Freeborn	16,117	16,203	16,043	827	839	730	4.9	4.9	4.4
Goodhue	19,494	19,198	19,661	844	797	755	4.1	4.0	3.7
Houston	8,643	8,806	8,825	365	425	339	4.1	4.6	3.7
Mower	16,662	16,947	17,317	812	833	1,326	4.6	4.7	7.1
Olmsted	56,619	56,934	54,037	1,756	1,935	1,701	3.0	3.3	3.1
Rice	25,067	25,525	24,264	1,268	1,213	1,163	4.8	4.5	4.6
Steele	14,606	14,470	13,936	669	655	588	4.4	4.3	4.0
Wabasha	8,616	8,414	8,309	424	368	424	4.7	4.2	4.9
Winona	23,358	23,464	23,681	985	1,020	1,093	4.0	4.2	4.4
ROCHESTER CITY	**35,608**	**35,806**	**33,984**	**1,224**	**1,375**	**1,219**	**3.3**	**3.7**	**3.5**

Civilian labor force can be calculated by adding employment and unemployment.

ROCHESTER MSA NONFARM WAGE & SALARY EMPLOYMENT					
INDUSTRY	EMPLOYMENT			PERCENT CHANGE FROM	
	August 1987	July 1987	August 1986	MONTH AGO	YEAR AGO
Total Nonagricultural Wage & Salary	**56,857**	**56,859**	**55,395**	**0.0**	**2.6**
Total Manufacturing	10,719	10,691	11,001	0.3	-2.6
Durable Goods	8,682	8,679	8,971	0.0	-3.2
Nondurable Goods	2,037	2,012	2,030	1.2	0.3
Total Nonmanufacturing	**46,138**	**46,168**	**44,394**	**-0.1**	**3.9**
Construction & Mining	2,463	2,320	2,156	6.2	14.2
Transp., Comm., & Public Util.	1,575	1,586	1,630	-0.7	-3.4
Wholesale Trade	1,341	1,323	1,286	1.4	4.3
Retail Trade	10,258	10,293	10,022	-0.3	2.4
Finan., Insur., & Real Estate	1,619	1,586	1,615	2.1	0.2
Total Services	23,607	23,571	22,663	0.2	4.1
Health Services	16,799	16,698	15,723	0.6	6.8
Other Services	6,808	6,873	6,945	-0.9	-2.0
Government	3,859	3,971	3,713	-2.8	3.9

Except For Region 10, Unemployment Is Up Slightly Over The Year While Employment Trends Vary Among Regions

Only in Region 8 did the unemployment rate shift substantially over the year, jumping from 4.2 to 4.9 percent. And although employment generally decreased over the month (except in Region 9), these drops were also slight and mostly seasonal.

Rochester's employment was up by nearly five percent over the year, although dropping slightly over the month. This over-the-month decline is inconsequential since August's employment level traditionally fluctuates around July's level. What is significant is that Rochester's August unemployment rate (3.3 percent) was the lowest August rate during the 1980s and one of the lowest on record for any month. August's 35,608 employment level was 1,624 (nearly five percent higher than a year ago). The same sort of trends characterized the Rochester MSA (Olmstead county).

The MSA's gain in employment over the year was entirely due to its nonmanufacturing industries, especially construction, health services and wholesale trade. What is dragging employment down is durable goods manufacturing (primarily related to computers). It lost 3.2 percent of its jobs over the year, while the makers of durable goods held employment constant. Due to the durable goods sector, the MSA's manufacturing employment has been below year ago levels for the last 20 months.

Industries posting substantial employment gains over at least the past five years (August 1983 to August 1987) were: construction (1,934 jobs to 2,463), health services (14,945 to 16,799), nonmedical services (5,697 to 6,808), and government (4,161 to 5,275). The only notable long-term employment loser was transportation, communications and public utilities in dropping from 1,945 jobs in August 1983 to 1,575 during August 1987.

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Selected Minnesota Program Statistics

Distribution of Insured Unemployed by Industry and Occupation, August 1987

Industry Attachment	Number	Percent of Total	Percent */ Long-Term Unemployed	Women as Percent of Total
TOTAL, ALL INDUSTRIES	25,655	100.0	23.7	44.6
Ag., For., Fish.	261	1.0	9.7	42.3
Mining	216	0.8	39.6	13.4
Construction	2,899	11.3	14.2	7.8
Manufacturing	7,088	27.6	31.6	41.7
Public Utilities	1,207	4.7	26.5	32.7
Wholesale Trade	1,865	7.3	26.9	33.2
Retail Trade	3,450	13.4	25.0	50.1
Fin., Ins., Re. Est.	1,236	4.8	25.2	65.6
Services	6,555	25.6	18.3	62.9
Public Admin.	465	1.8	17.2	58.8
Info. Not Available	413	1.7	1.2	40.1

Distribution of Insured Unemployed, by Age and Sex, August 1987

Age Groups	Number	Percent Distribution: Men of Totals	Men of Men	Women of Women
TOTALS	25,655	55.7	100.0	100.0
Under 45	18,931	56.7	75.1	72.1
Under25	2,737	58.2	11.1	10.1
25-34	9,614	57.8	38.9	35.7
35-44	6,580	54.5	25.1	26.3
45 and over	6,724	52.9	24.9	27.9
45-54	3,962	52.7	14.6	16.5
55 and over	2,762	53.1	10.3	11.4

Experienced Supply/Job Openings Demand **/

Occupational Attachment	Number	Percent of Total	Percent */ Long-Term Unemployed	Women as Percent of Total	Applicants (Supply) August 1987	Job Openings (Demand) August 1987	Supply/Demand Ratio: Aug. 1987	Aug. 1987
TOTAL, ALL OCCUPATIONS	25,655	100.0	23.7	44.6	71,151	20,106	3.5	4.5
Prof., Tech., Mgr.	6,574	25.6	24.3	46.3	12,078	1,848	6.5	8.1
Clerical	4,106	16.0	24.5	84.3	12,591	3,423	3.7	4.1
Sales	1,324	5.2	30.0	38.0	4,119	2,194	1.9	2.0
Services	2,064	8.0	20.2	59.3	8,715	5,454	1.6	2.3
Farm, For., Fish.	171	0.7	17.7	25.0	3,659	257	14.2	18.2
Processing	1,137	4.4	33.0	47.0	1,563	1,344	1.2	2.0
Machine Trades	1,532	6.0	25.2	19.2	4,670	812	5.8	8.3
Benchwork	2,287	8.9	24.2	62.4	4,686	1,253	3.7	8.6
Structural Work	3,396	13.2	18.5	3.7	9,600	1,087	8.8	9.9
Misc., and INA	3,064	12.0	22.7	24.1	9,470	2,434	3.9	4.9

*/ Long-term unemployed refers to unemployment insurance claimants whose current spell of unemployment has lasted 15 weeks or longer.
**/ Inexperienced and improperly coded job applicants are not included in this table.